

REMARKS

Claims 43-74 are pending in the present application.

Claims 1-42 have been previously canceled without *prejudice*.

Claims 43-48, 50, 59-64, and 66 stand rejected under 35 U.S.C. § 103(a) over EP 425,405 A2 to James et al. (“*James*”) in view of U.S. Patent No. 5,459,656 to Fields et al. (“*Fields*”) and in further view of “The keys to the enterprise: integrated applications drive information systems to new horizons – enterprise wide integration” to Dusty Rhodes (“*Rhodes*”).

Claims 49, 51-58, 65, 67-69, and 71-74 stands rejected under 35 U.S.C. § 103(a) over *James* in view of *Fields* and *Rhodes* and in further view of “Dun & Bradstreet Software Delivers Sales and Promotion System to Manufacturers” to Frank O. Smith (“*Smith*”).

Applicant notes with thanks the Examiner’s response of 18 February 2010. However, Applicant notes that the Examiner’s Final Office Action of 18 February 2010 is identical with the Examiner’s previous Final Office Action of 17 August 2009 and contains inconsistencies with Applicant’s current claim limitations. As one example, numerous times in the Examiner’s response of 18 February 2010, the Examiner refers to Claim 11 however; Applicant canceled Claim 11 without *prejudice* on 5 August 2009.

Applicant is unclear as to whether Applicant’s response to the Final Office Action of 17 August 2009 was fully considered, let alone even considered prior to mailing out the present Final Office Action. Applicant respectfully requests the Examiner to fully consider Applicant’s claim amendments and arguments in this response as well as Applicant’s previous response.

Applicant respectfully submits that all of Applicant’s arguments and amendments are without *prejudice* or *disclaimer*. In addition, Applicant has merely discussed example distinctions from the cited prior art. Other distinctions may exist, and as such, Applicant reserves the right to discuss these additional distinctions in a future Response or on Appeal, if appropriate. Applicant further respectfully submits that by not responding to additional statements made by the Examiner, Applicant does not acquiesce to the Examiner's additional

statements. The example distinctions discussed by Applicant are considered sufficient to overcome the Examiner's rejections. In addition, Applicant reserves the right to pursue broader claims in this Application or through a continuation patent application. No new matter has been added.

I. Rejections under 35 U.S.C. § 103(a):

Claims 43-48, 50, 59-64, and 66 stand rejected under 35 U.S.C. § 103(a) over *James* in view of *Fields* and in further view of *Rhodes*. Claims 49, 51-58, 65, 67-69, and 71-74 stand rejected under 35 U.S.C. § 103(a) over *James* in view of *Fields* and *Rhodes* and in further view of *Smith*.

While Applicant respectfully submits that Applicant's claims in their prior, unamended form are not rendered obvious by the proposed combination of *James*, *Fields*, *Rhodes*, or *Smith*, in an effort to further prosecution and issuance of the subject Application, Applicant currently submits amendments to the claims. Applicant further respectfully submits that Claims 43-74 in their current amended form contain unique and novel limitations that are not taught, suggested, or even hinted at in *James*, *Fields*, *Rhodes*, or *Smith*, either individually or in combination. Thus, Applicant respectfully traverses the Examiners obvious rejection of Claims 43-74 under 35 U.S.C. § 103(a) over the proposed combination of *James*, *Fields*, *Rhodes*, or *Smith*, either individually or in combination.

a. The proposed *James-Fields-Rhodes-Smith* Combination Fails to Disclose Various Limitations Recited in Applicant's Claims

In rejecting Claim 43, the Examiner states the following:

James does not explicitly disclose ***two seller models that each represent a seller for one or more products each product being associated with a product forecast model; and forecasted sales of the product through the seller.***

(18 February 2010 Final Office Action, page 3). (Emphasis Added). Applicant thanks the Examiner for noting that *James* fails to disclose a ***“hierarchy of seller models, each seller model representing a seller of one or more products, each product having a product forecast model***

representing [...] forecasted sales of the product through the seller.” However Applicant respectfully disagrees with the Examiner’s assertion that *Fields* provides these missing elements and in fact, respectfully submits that *Fields* fails to disclose at least the limitation of Claim 43 of a “***hierarchy of seller models, each seller model representing a seller of one or more products, each product having a product forecast model*** representing [...] forecasted sales of the product through the seller.”

In particular, the Examiner states:

With regard to the 35 U.S.C. 103 rejections, the applicants argue that *Fields* does not teach “at least two seller models that each represent a seller for one or more products” wherein each product is associated with a “product forecast model”. However, ***Fields clearly discloses two seller models*** (*Fields*: Col. 2, Ln. 1-9). *Fields* clearly teaches that a model can cover a plurality of business items and the Office, therefore, takes the position that this means that the model disclosed in *Fields* can be applied to many different business items wherein each item is covered by a model as is suggested by the Summary section in *Fields*. Therefore, since *Fields* disclose a plurality of items that can be covered by its model ***it inherently discloses*** a plurality (including two) seller models. ***It is entirely possible*** that the two products *Fields* mentions in the above cited passages come from two different sellers.

(18 February 2010 Final Office Action, page 20). (Emphasis added). By contrast, the cited portion of *Fields* on which the Examiner relies does not disclose a “***hierarchy of seller models, each seller model representing a seller of one or more products, each product having a product forecast model*** representing [...] forecasted sales of the product through the seller,” as required by Claim 43. For additional clarification, Applicant respectfully directs the Examiner’s attention to the “BACKGROUND OF THE INVENTION” portion of *Fields* and the first 4 lines of the “SUMMARY OF THE INVENTION” of *Fields*, provided below, on which the Examiner relies:

[...] unusually large order is placed. What is needed is method of adjusting the projected demand levels in future intervals in proportion to both historical demand trends and current actual demand.

SUMMARY OF THE INVENTION

The present invention provides a system and method for analyzing business demand which incorporates tracking of past business demand for a ***plurality of products or tasks***, time intervals during the day, and other factors, storing...

(Column 2, Lines 1-9). (Emphasis added). Applicant respectfully submits *Fields* fails to disclose at least “a **“*hierarchy of seller models, each seller model representing a seller of one or more products*, each product *having a product forecast model* representing [...] forecasted sales of the product through the seller,”** as required by Claim 43. For example, as noted above, the Examiner states that “*Fields clearly discloses two seller models*” and *Fields* “*inherently discloses*” and “*[i]t is entirely possible*” that *Fields* discloses “*two seller models*.” (18 February 2010 Final Office Action, page 20). (Emphasis added). However, Applicant finds no such teachings anywhere in *Fields* and certainly not in the cited columns and lines of *Fields*, relied on by the Examiner. Applicant respectfully submits that, as acknowledged by the Examiner, *Fields* does not expressly disclose “*hierarchy of seller models*,” and respectfully request the Examiner to point to the portion or portions of *Fields* that “*clearly discloses*,” “*inherently discloses*,” or “*[i]t is entirely possible*,” that *Fields* discloses “*two seller models*,” as alleged by the Examiner. In addition, if “*Fields clearly discloses two seller models*,” as alleged by the Examiner, then *Fields* will expressly disclose the term “*hierarchy of seller models*,” somewhere in the specification of *Fields*. However, as discussed above, and as acknowledged by the Examiner, *Fields* does not expressly disclose the term “*hierarchy of seller models*” and therefore, *Fields* clearly does not inherently disclose “*hierarchy of seller models*,” as alleged by the Examiner.

Applicant respectfully submits that the Examiner is silent as to the limitation of a “**“*hierarchy of seller models, each seller model representing a seller of one or more products*, each product *having a product forecast model*.”** Therefore, introducing *Fields* into the proposed combination fails to render obvious the affirmatively claimed action of a “**“*hierarchy of seller models, each seller model representing a seller of one or more products*, each product *having a product forecast model* representing [...] forecasted sales of the product through the seller”** because, among other things the disclosure of *Fields* fails to yield any result (i.e., merely tracking of past business demand for a *plurality of products or tasks*) let alone a predictable result for the above-referenced elements of Claim 43.

Accordingly, Applicant respectfully requests that the rejection of Applicant’s claims as obvious over the proposed combination of *James*, *Fields*, *Rhodes*, and *Smith* be withdrawn.

In rejecting Claim 43, the Examiner further states:

Fields discloses at least two seller models that each represent a seller for one or more products (i.e. the model ***should cover*** each of a plurality of products or business items to determine future business demand for a specific location) (col. 2, lines 1-9).

* * *

Fields clearly discloses two seller models (Fields: Col. 2, Ln. 1-9). Fields clearly teaches that a model can cover a plurality of business items and the Office, therefore, takes the position that ***this means that the model disclosed in Fields can be applied to many different business items wherein each item is covered by a model*** as is suggested by the Summary section in Fields. Therefore, since Fields disclose a plurality of items that can be covered by its model it inherently discloses a plurality (including two) seller models.

(18 February 2010 Final Office Action, pages 3 and 20). (Emphasis added). By contrast, the cited portion of *Fields* on which the Examiner relies does not disclose that “the model ***should cover*** each of a plurality of products or business items to determine future business demand for a specific location,” as asserted by the Examiner, but instead merely states as shown above, that the “present invention [of *Fields*] provides a system and method for analyzing business demand which incorporates tracking of past business demand for a ***plurality of products or tasks***, time intervals during the day, and other factors.”

Applicant respectfully submits that the Examiner has mischaracterized the cited portion of *Fields*. For example, as noted above, the Examiner states that “the model ***should cover*** each of a plurality of products” and that “***this means that the model disclosed in Fields can be applied to many different business items wherein each item is covered by a model*** as is suggested by the Summary section in Fields.” (18 February 2010 Final Office Action, page 20). (Emphasis added). However, Applicant finds no such teachings anywhere in *Fields* and certainly not in the cited columns and lines of *Fields*, relied on by the Examiner. Applicant respectfully submits that Fields **does not** disclose that “the model ***should cover*** each of a plurality of products” or “***wherein each item is covered by a model***” as alleged by the Examiner and respectfully requests the Examiner to point to the portion or portions of *Fields* that disclose these allegations.

In fact, Applicant respectfully submits that *Fields* actually teaches away from Applicant’s claimed invention. For example, *Fields* discloses that in “addition to the impracticality of computing business demand manually on a more frequent basis is the complexity introduced by

different demand patterns for each day of the week, seasons of the year, or other recurring events.” (Column 1, line 24 through column 2, line 1). In addition, “[a]ccommodating this level of complexity requires storing and using the past business demand according to a model that accounts for the seasonality, day of the week and time intervals during the business day, for each of a plurality of products or business items to determine future business demand for a specific location” and “the difficulty encountered once the past business demand has been stored is the ability to deal with incomplete data from current time periods and to compare trends in [...] time intervals against projected demand in equal time intervals.” (Column 1, line 24 through column 2, line 1). However, the method for making such comparisons is “unreliable given the many anomalies that can occur, for example, when a bus load of people arrives or an unusually large order is placed.” (Column 1, line 24 through column 2, line 1). Thus, *Fields* cannot disclose that “the model ***should cover*** each of a plurality of products or business items to determine future business demand for a specific location” or “**wherein each item is covered by a model**” as asserted by the Examiner, for at least the reason that *Fields* states that the model in *Fields* that is used for accommodating this level of complexity further needs a method for making such comparisons and is unreliable given the many anomalies that can occur.

Therefore, introducing *Fields* into the proposed combination fails to render obvious the affirmatively claimed action of a “***hierarchy of seller models, each seller model representing a seller of one or more products, each product associated with a product forecast model representing [...] forecasted sales of the product through the seller***” because, among other things the disclosure of *Fields* fails to yield any result (i.e., merely providing a single model that is unreliable given the many anomalies that can occur) let alone a predictable result for the above-referenced elements of Claim 43. Accordingly, Applicant respectfully requests that the rejection of Applicant’s claims as obvious over the proposed combination of *James*, *Fields*, *Rhodes*, and *Smith* be withdrawn.

As shown above, the Examiner states that:

this means that the model disclosed in Fields can be applied to many different business items...

(18 February 2010 Final Office Action, page 20). (Emphasis added). By contrast, the cited portion of *Fields* on which the Examiner relies does not “***mean[]*** that ***the model disclosed in Fields can be***

applied to many different business items,” as alleged by the Examiner but rather merely describes a “needed [...] method of adjusting [...] projected demand levels.” (Column 2, Lines 1-9). (Emphasis added). However, this “needed [...] method of adjusting [...] projected demand levels,” as disclosed in *Fields* does not include, involve, or even relate to “**mean[ing]** that **the model disclosed in Fields can be applied to many different business items,**” as alleged by the Examiner. Applicant respectfully submits that the Examiner’s equation is inaccurate, that is the “needed [...] method of adjusting [...] projected demand levels” as disclosed in *Fields*, does not equate to “**mean[ing]** that **the model disclosed in Fields can be applied to many different business items,**” as alleged by the Examiner because, among other things, the “needed [...] method” of *Fields* is only a “needed [...] method of adjusting [...] projected demand levels.”

In addition, as discussed in detail above, *Fields* merely states that “[a]ccommodating this level of complexity requires storing and using the past business demand according to a model that accounts for the seasonality, day of the week and time intervals during the business day, for each of a plurality of products or business items to determine future business demand for a specific location.” (Column 1, line 24 through column 2, line 1). However, the Examiner’s assertion that “**this means that the model disclosed in Fields can be applied to many different business items**” is inaccurate, that is “storing and using the past business demand according to a model” as discussed in *Fields* does not equate to the Examiner’s allegations that “**this means that the model disclosed in Fields can be applied to many different business items.**”

Furthermore, Applicant respectfully requests clarification as to what the Examiner means by “**this means that the model disclosed in Fields can be applied to many different business items.**” For example, what does the Examiner mean by “**this means**” how is this meaning derived and how does the Examiner purport that the mere **meaning** applies to the subject application. In addition, what does the Examiner mean by a **model** “**can be applied a plurality of business items**” does the Examiner mean that the term “**can**” means it does or does not and what does the Examiner mean by “**can be applied**” and how does the Examiner purport that this applies to the subject application.

Therefore, introducing *Fields* into the proposed combination fails to render obvious the affirmatively claimed action of a “**hierarchy of seller models, each seller model representing a seller of one or more products**, each product associated with a **product forecast model** representing

[...] forecasted sales of the product through the seller” because, among other things the disclosure of *Fields* fails to yield any result (i.e., merely stating that a method is needed for adjusting a projected demand level) let alone a predictable result for the above-referenced elements of Claim 43. Accordingly, Applicant respectfully requests that the rejection of Applicant’s claims as obvious over the proposed combination of *James*, *Fields*, *Rhodes*, and *Smith* be withdrawn.

In addition, the Examiner states:

In the cited portion of *Fields*, there is a disclosure stating that the demand for a plurality (more than one) of products is tracked in the invention of *Fields*. The Office interprets this disclosure as meaning that there are at least two seller models that are disclosed because since the step of “tracking” in *Fields* involves more than one product ***it is inherent*** that the multiple products can be made by more than one seller and therefore ***it is entirely possible*** that the step of “tracking” in *Fields* **can** include a “hierarchy of at least two seller models that each represent a seller for one or more products”

(18 February 2010 Final Office Action, page 20). (Emphasis added). By contrast, the cited portion of *Fields* on which the Examiner relies clearly does not make “***it is entirely possible*** that the step of ‘tracking’ in *Fields* **can** include a ‘hierarchy of at least two seller models that each represent a seller of one or more products’,” as alleged by the Examiner. In fact, the only reference to “tracking” that the cited portion of *Fields* refers to is the “present invention provides a system and method for analyzing business demand which incorporates ***tracking*** of past business demand for a plurality of products or tasks, time intervals during the day, and other factors, storing.” (Column 2, Lines 1-9). (Emphasis added). However, “tracking of past business demand for a plurality of products or task,” as disclosed in *Fields* does not include, involve, or even relate to making it “***entirely possible*** that the step of ‘tracking’ in *Fields* **can** include a ‘hierarchy of at least two seller models that each represent a seller of one or more products’,” as alleged by the Examiner.

In addition, Applicant respectfully submits that the Examiner’s “***entirely possible***” test is not a valid test under current patent rules or current patent law. ***Applicant respectfully requests the Examiner to cite a specific rule in 37 C.F.R. or in the MPEP that describes the Examiner’s “entirely possible” test.*** The Examiner may call the undersigned, Steven J. Laureanti, at (480) 830-2700 if the Examiner believes it would be easier to discuss the “***entirely possible***” test, over the telephone.

Applicant respectfully traverses the Examiner's assertions regarding the purported inherent features in Fields. In fact, “[i]nherent anticipation requires that the missing descriptive material is ‘necessarily present,’ not merely probably or possibly present, in the prior art.” *Trintec Indus., Inc. v. Top-US.A. Corp.*, 295 F.3d 1292, 1295 (Fed. Cir. 2002) (quoting *In re Robertson*, 169 F.3d 743, 745 (Fed. Cir. 1999)). *Applicant is unable to discern from the passages relied upon by the Examiner that a “hierarchy of at least two seller models” is necessarily present in Fields. While it may be possible,* “[i]nherency, however, may not be established by probabilities or possibilities. The mere fact that a certain thing may result from a given set of circumstances is not sufficient.” *Hansgird v. Kemmer*, 102 F.2d 212, 214 (CCPA 1939), quoted in *Continental Can Co. USA v. Monsanto Co.*, 948 F.2d 1264, 1269 (Fed. Cir. 1991).

Furthermore, *the question is not merely whether ““[i]t is entirely possible” that Fields can include a “hierarchy of at least two seller models” but whether Fields describes a “hierarchy of at least two seller models that each represent a seller of one or more products, each product being associated with a product forecast model representing [...] forecasted sales of the product through the seller,” as described in Claim 43.*

Therefore, introducing *Fields* into the proposed combination fails to render obvious the affirmatively claimed action of a “*hierarchy of seller models, each seller model representing a seller of one or more products, each product associated with a product forecast model representing [...] forecasted sales of the product through the seller*” because, among other things the disclosure of *Fields* fails to yield any result (i.e., merely stating that it is entirely possible) let alone a predictable result for the above-referenced elements of Claim 43. Accordingly, Applicant respectfully requests that the rejection of Applicant's claims as obvious over the proposed combination of *James, Fields, Rhodes, and Smith* be withdrawn.

b. The Office Action Also Acknowledges that *James* and *Fields* Fail to Disclose Other Limitations Recited in Applicant's Claims

The Examiner states the following:

James does not explicitly disclose pre-allocated supply of the product to the seller and the system operable to compute the amount of the product that is ATP at the seller according to the planned supply, the customer orders, the pre-

allocated supply and the amount of the product that is ATP at one or more sellers at a higher level in a seller hierarchy.

However, Rhodes discloses pre-allocated supply of the product to the seller (i.e. plan sales expectations)(pages 4 and 5 of the NPL document Rhodes) and the system operable to compute the amount of the product that is ATP at the seller according to the planned supply, the customer orders, the pre-allocated supply and the amount of the product that is ATP at one or more other sellers (i.e. linking sales and marketing strategies to material and resource scheduling ...)(page 3-Image version of document).

(18 February 2010 Final Office Action, pages 3-4). (Emphasis added). Applicant notes that the Examiner relies on pages 4 and 5 of the NPL document of Rhodes, however, the NPL document of Rhodes only contains 4 pages, for the purpose of this response, Applicant assumes the Examiner means pages 3 and 4 of Rhodes, appropriate correction is requested.

Applicant thanks the Examiner for noting that *James* (and by silence *Fields* – although, Applicant notes that the Examiner states that *Fields* fails to disclose this limitations at page 14 of the present Office Action) fail to disclose “pre-allocated supply of the product to each seller, the pre-allocated supply is a supply of the product pre-allocated to each seller to promise to subsequent customer orders for the product through each seller.” However, Applicant respectfully disagrees with the Examiner’s assertion that *Rhodes* provides these missing elements and in fact, respectfully submits that *Rhodes* fails to disclose at least Claim 43 limitations of a “***product forecast model***” representing “***pre-allocated supply of the product to the seller***, the pre-allocated supply is a supply of the product pre-allocated to the seller to promise to subsequent customer orders for the product through the seller,” “***comput[ing] the amount of the product that is ATP at a seller according to at least the planned supply of the product***, the customer orders for the product through the seller, the pre-allocated supply of the product to the seller, and the amount of the product that is ATP at one or more other sellers in the hierarchy,” and “***adjust[ing] the pre-allocated supply of the product to the seller according to customer orders across a time horizon and recomput[ing] the amount of the product that is ATP at the seller according to the adjusted pre-allocated supply.***”

The Examiner further states the following:

As per the recitation of “the pre-allocation of the supply of the product to the seller occurring prior to distribution of the pre-allocated supply of the product

to the seller,” the Examiner respectfully submits that Rhodes discloses an order department being able to “look” into the manufacturing system to determine what is currently in production to give a viable ATP date (page 2). It is noted that a product must be allocated to a seller before it is distributed to the seller. For example, a customer placing an order for a product and being told when it will be delivered has “allocated” the product for himself (See also Applicant's Background of the Invention, page 2, lines 15-26). The product is then delivered to the customer (“distributed”) after an order has been placed (See also Applicant's Background of the Invention, page 2, lines 15-26).

(18 February 2010 Final Office Action, page 4). (Emphasis added). Applicant respectfully disagrees with the Examiner’s assertions and respectfully directs the Examiner’s attention to page 2 of *Rhodes*, provided below, on which the Examiner relies:

In an integrated SOP environment, both forecasting and DRP are used to drive purchasing and the master production schedule (MPS) in manufacturing. MPS linked with order management closes the information loop such that when a customer calls to place an order, the order department can “look” into the manufacturing system to determine what's currently in production to give viable available-to-promise dates. Accurate historical data on customer orders in order management also gets fed back into the forecasting system, where the process starts all over again.

Applicant respectfully submits that *Rhodes* fails to disclose at least Claim 43 limitations of a “pre-allocated supply of the product to each seller, the pre-allocated supply is a supply of the product pre-allocated to each seller to promise to subsequent customer orders for the product through each seller.” By contrast, as shown above, *Rhodes* merely discloses, among other things, that “the order department can ‘look’ into the manufacturing system to determine what's currently in production.” *Rhodes* is silent and therefore fails to disclose a “supply of the product pre-allocated to the seller to promise to subsequent customer orders for the product through the seller,” as required by Claim 43. In fact, as shown above, the disclosure of the portions of *Rhodes* relied upon by the Examiner is directed toward determining “what's currently in production.”

Applicant respectfully submits that this is not analogous to a “supply of the product pre-allocated to the seller to promise to subsequent customer orders for the product through the seller,” as required by Claim 43. More simply stated determining what's currently in production as disclosed in *Rhodes* does not equate to a “***product forecast model***” representing “***pre-***

allocated supply of the product to the seller, the pre-allocated supply is a supply of the product pre-allocated to the seller to promise to subsequent customer orders for the product through the seller.”

In addition, the Examiner alleges:

Applicants argue that the Rhodes reference does not disclose “computing the amount of the product that is ATP at a seller according to at least the planned supply of the product.” However, as has been set forth in the above, Rhodes discloses this very feature (Rhodes: Pages 1-3) and proper motivation has been set forth for combining the teachings of Rhodes with those of the teachings of James in view of Fields.

(18 February 2010 Final Office Action, page 22). By contrast, the cited portion of *Rhodes* on which the Examiner relies does not disclose “*comput[ing] the amount of the product that is ATP at a seller according to at least the planned supply of the product*, the customer orders for the product through the seller, the pre-allocated supply of the product to the seller, and the amount of the product that is ATP at one or more other sellers in the hierarchy” and “*adjust[ing] the pre-allocated supply of the product to the seller according to customer orders across a time horizon and recomput[ing] the amount of the product that is ATP at the seller according to the adjusted pre-allocated supply*”, as recited in Claim 43 but rather merely provides for the SOP process to better satisfy the current planned level of sales, but *does not include, involve, or even relate to computing or recomputing the amount of the product*, as recited in Claim 43. (Page 1). (Emphasis Added). In contrast, “*comput[ing] the amount of the product*” recited in Claim 43 is provided for *computing at a seller according to at least the planned supply of the product*, the customer orders for the product through the seller, the pre-allocated supply of the product to the seller, and the amount of the product that is ATP at one or more other sellers in the hierarchy.” Accordingly, Applicant respectfully requests that the rejection of Applicant’s claims as obvious over the proposed combination of *James*, *Fields*, *Rhodes*, and *Smith* be withdrawn.

II. The Office Action Fails to Properly Establish a *Prima Facie* case of Obvious over the Proposed *James-Fields-Rhodes-Smith* Combination According to the UPSTO Examination Guidelines

Applicant respectfully submits that the Office Action fails to properly establish a *prima facie* case of obviousness based on the proposed combination of *James, Fields, Rhodes*, or *Smith*, either individually or in combination, and in particular, the Office Action fails to establish a *prima facie* case of obviousness based on the “Examination Guidelines for Determining Obviousness Under 35 U.S.C. 103 in View of the Supreme Court Decision in *KSR International Co. v. Teleflex Inc.*” (the “Guidelines”).

As reiterated by the Supreme Court in *KSR International Co. v. Teleflex Inc.* (*KSR*), the framework for the objective analysis for determining obviousness under 35 U.S.C. 103 is stated in *Graham v. John Deere Co.* (383 U.S. 1, 148 USPQ 459 (1966)). Obviousness is a question of law based on underlying factual inquiries. These factual inquiries enunciated by the Court are as follows:

- (1) Determining the scope and content of the prior art;
- (2) Ascertaining the differences between the claimed invention and the prior art; and
- (3) Resolving the level of ordinary skill in the pertinent art.

(Notice, 72 Fed. Reg. 57527 (Oct. 10, 2007)). Objective evidence relevant to the issue of obviousness must be evaluated by Office personnel. (383 U.S. 17–18, 148 USPQ 467 (1966)). As stated by the Supreme Court in *KSR*, “While the sequence of these questions might be reordered in any particular case, the [*Graham*] factors continue to define the inquiry that controls.” (*KSR*, 550 U.S. at ___, 82 USPQ2d at 1391).

However, it is important to note that the Guidelines require that Office personnel “***ensure that the written record includes findings of fact*** concerning the state of the art and the teachings of the references applied. (Notice, 72 Fed. Reg. 57527 (Oct. 10, 2007)). In addition, the Guidelines remind Office personnel that the “***factual findings made by Office personnel are the necessary underpinnings to establish obviousness.***” (*id.*). Further, “***Office personnel must provide an explanation to support an obviousness rejection*** under 35 U.S.C. 103. (*id.*). In fact, “35 U.S.C. 132 requires that the applicant be notified of the reasons for the rejection of the claim so that he or

she can decide how best to proceed” and “clearly setting forth findings of fact and the rationale(s) to support a rejection in an Office action leads to the prompt resolution of issues pertinent to patentability.” (*id.*).

With respect to the subject application, the Office Action has not shown the *“factual findings necessary to establish obviousness”* or even *“an explanation to support the obviousness rejection”* based on the proposed combination of *James, Fields, Rhodes, and Smith*. The Office Action merely states that “it would have been obvious to one of ordinary skill in the art at the time of Applicant’s invention to include the teachings of Fields within the James system [and] to include the features as disclosed by Rhodes within the James and Fields combination”. (18 February 2010 Final Office Action, pages 3-5). Applicant respectfully disagrees and respectfully submits that the Examiner’s conclusory statement is not sufficient to establish the *“factual findings necessary to establish obviousness”* and is not a sufficient *“explanation to support the obviousness rejection”* based on the proposed combination of *James, Fields, Rhodes, and Smith*. *Applicant respectfully requests that the Examiner provide proper support for the obviousness rejection under 35 U.S.C. 103 as necessitated by the Guidelines, including the factual findings necessary to establish obviousness to “ensure that the written record includes findings of fact concerning the state of the art and the teachings of the references applied.”* (Notice, 72 Fed. Reg. 57527 (Oct. 10, 2007)).

The Guidelines further provide guidance to Office personnel in “determining the scope and content of the prior art” such as, for example, “Office personnel must first obtain a thorough understanding of the invention disclosed and claimed in the application.” (Notice, 72 Fed. Reg. 57527 (Oct. 10, 2007)). The scope of the claimed invention must be clearly determined by giving the claims the “broadest reasonable interpretation consistent with the specification.” (*See Phillips v. AWH Corp.*, 415 F.3d 1303, 1316, 75 USPQ2d 1321, 1329 (Fed. Cir. 2005) and MPEP § 2111.). In addition, the Guidelines state that any *“obviousness rejection should include, either explicitly or implicitly in view of the prior art applied, an indication of the level of ordinary skill.”* (Notice, 72 Fed. Reg. 57528 (Oct. 10, 2007)). With respect to the subject Application, the Office Action has not provided *“an indication of the level of ordinary skill.”* *Applicant respectfully requests that the Examiner provide proper support for the obviousness rejection under 35 U.S.C. 103 as necessitated by the Guidelines, including an indication of the level of ordinary skill, relied upon by the Examiner.* (Notice, 72 Fed. Reg. 57527 (Oct. 10, 2007)).

The Guidelines still further provide that once the *Graham* factual inquiries are resolved, Office personnel must determine whether the claimed invention would have been obvious to one of ordinary skill in the art. (*Id.*). For example, the Guidelines state that ***Office personnel must explain why the difference(s) between the prior art and the claimed invention would have been obvious to one of ordinary skill in the art.*** (*Id.*). In addition, the Guidelines state that the proper analysis is ***whether the claimed invention would have been obvious to one of ordinary skill in the art after consideration of all the facts.*** (*Id.* and *See* 35 U.S.C. 103(a)).

With respect to the subject Application, the Office Action has not expressly resolved any of the *Graham* factual inquiries to determine whether Applicant's invention would have been obvious to one of ordinary skill in the art. In addition, the Office Action fails to ***explain why the difference(s) between the proposed combination of James, Fields, Rhodes, Smith and Applicant's claimed invention would have been obvious to one of ordinary skill in the art.*** The Office Action merely states that "in order to provide products in timely response to customer demands" and for "allowing access to relevant data, facilitating fast decision making and providing material and resource management information to sales and marketing teams." (18 February 2010 Final Office Action, pages 3-5). Applicant respectfully disagrees and further respectfully requests clarification as to how this statement ***explains why the difference(s) between the proposed combination of James, Fields, Rhodes, Smith and Applicant's claimed invention would have been obvious to one of ordinary skill in the art.*** Applicant further respectfully submits that the Examiner is using the subject Application as a template to formulate reconstructive hindsight, which constitutes impermissible use of hindsight under 35 U.S.C. § 103(a).

The Guidelines yet further state that the "key to supporting any rejection under 35 U.S.C. 103 is the ***clear articulation of the reason(s) why the claimed invention would have been obvious.***" (Notice, 72 Fed. Reg. 57528 (Oct. 10, 2007)). In fact, the Supreme Court in *KSR* noted that ***"the analysis supporting a rejection under 35 U.S.C. 103 should be made explicit."*** (*id.*). The Court quoting *In re Kahn* (441 F.3d 977, 988, 78 USPQ2d 1329, 1336 (Fed. Cir. 2006)), stated that ***"[R]ejections on obviousness cannot be sustained by mere conclusory statements; instead, there must be some articulated reasoning with some rational underpinning to support the legal conclusion of obviousness."*** (*KSR*, 550 U.S. at ___, 82 USPQ2d at 1396). The Guidelines provide the following seven rationales:

- (A) Combining prior art elements according to known methods to yield predictable results;
- (B) Simple substitution of one known element for another to obtain predictable results;
- (C) Use of known technique to improve similar devices (methods, or products) in the same way;
- (D) Applying a known technique to a known device (method, or product) ready for improvement to yield predictable results;
- (E) “Obvious to try”—choosing from a finite number of identified, predictable solutions, with a reasonable expectation of success;
- (F) Known work in one field of endeavor may prompt variations of it for use in either the same field or a different one based on design incentives or other market forces if the variations would have been predictable to one of ordinary skill in the art;
- (G) Some teaching, suggestion, or motivation in the prior art that would have led one of ordinary skill to modify the prior art reference or to combine prior art reference teachings to arrive at the claimed invention.

Applicant respectfully submits that the *Office Action fails to provide any articulation, let alone, clear articulation of the reasons why Applicant’s claimed invention would have been obvious*. For example, the *Examiner has not adequately supported the selection and combination of James, Fields, Rhodes, and Smith to render obvious Applicant’s claimed invention*. The Examiner's unsupported conclusory statements that “it would have been obvious to one of ordinary skill in the art at the time of Applicant’s invention to include the teachings of Fields within the James system [and] to include the features as disclosed by Rhodes within the James and Fields combination” and “in order to provide products in timely response to customer demands” and for “allowing access to relevant data, facilitating fast decision making and providing material and resource management information to sales and marketing teams”, *does not adequately provide clear articulation of the reasons why Applicant’s claimed invention would have been obvious*. (18 February 2010 Final Office Action, pages 3-5). In addition, the Examiner’s unsupported conclusory statement fails to meet any of the Guidelines rationales to render obvious Applicant claimed invention.

Thus, if the Examiner continues to maintain the obvious rejection based on the proposed combination of *James, Fields, Rhodes, and Smith*, *Applicant respectfully requests that the Examiner provide proper support for the obviousness rejection under 35 U.S.C. 103 as necessitated by the Guidelines, including a statement by the Examiner identifying which one of*

the seven rationales the Examiner is relying on and the proper analysis of that particular rationale, as required by the Guidelines.

III. Applicant's Claims are Patentable over the Proposed *James-Fields-Rhodes-Smith* Combination

Applicant respectfully submits that Claim 43 is considered patentably distinguishable over the proposed combination of *James, Fields, Rhodes, or Smith*. This being the case, Claims 51, 59, and 67 are also considered patentably distinguishable over the proposed combination of *James, Fields, Rhodes, or Smith*, for at least the reasons discussed above in connection with Claim 43.

Furthermore, with respect to dependent Claims 44-50, 52-58, 60-66, and 68-74; Claims 44-50 depend from Claim 43; Claims 52-58 depend from Claim 51; Claims 60-66 depend from Claim 59; and Claims 68-74 depend from Claim 67. As mentioned above, each of Claims 43, 51, 59, and 67 are considered patentably distinguishable over *James, Fields, Rhodes, or Smith*. Thus, dependent Claims 44-50, 52-58, 60-66, and 68-74 are considered to be in condition for allowance for at least the reason of depending from an allowable claim.

For at least the reasons set forth herein, Applicant respectfully submits that Claims 43-74 are not rendered obvious by the proposed combination of *James, Fields, Rhodes, or Smith*. Applicant further respectfully submits that Claims 43-74 are in condition for allowance. Thus, Applicant respectfully requests that the rejection of Applicant's claims under 35 U.S.C. § 103(a) be reconsidered and that Claims 43-74 be allowed.

CONCLUSION:

In view of the foregoing remarks, this application is considered to be in condition for allowance, and early reconsideration and a Notice of Allowance are earnestly solicited.

A Request for Continued Examination (RCE) is being filed electronically herewith to facilitate the processing of this deposit account authorization. **The Director is hereby authorized to charge the \$810.00 RCE fee and the \$130.00 One-Month Extension of Time fee, to Deposit Account No. 500777.** Although Applicant believes no additional fees are deemed to be necessary; the undersigned hereby authorizes the Director to charge any additional fees which may be required, or credit any overpayments, to **Deposit Account No. 500777.** If an extension of time is necessary for allowing this Response to be timely filed, this document is to be construed as also constituting a Petition for Extension of Time Under 37 C.F.R. § 1.136(a) to the extent necessary. Any fee required for such Petition for Extension of Time should be charged to **Deposit Account No. 500777.**

Please link this application to Customer No. 53184 so that its status may be checked via the PAIR System.

Respectfully submitted,

18 June 2010
Date

/Steven J. Laureanti/signed
Steven J. Laureanti, Registration No. 50,274

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